

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 25-26, 2004

Reference No.: 4.7
Action Item

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **REQUEST FOR WAIVER OF ASSEMBLY BILL (AB) 1012 USE IT OR LOSE IT
PROVISIONS FOR REGIONAL AGENCY APPORTIONED FEDERAL FUNDS
WAIVER 03-37**

ISSUE:

The annual notice to regional agencies for Cycle 4 of AB 1012 "Use it or Lose It" provisions was released on December 9, 2002, with a deadline for obligating balances subject to reprogramming of December 9, 2003. The December 31, 2003 balance reports show total funds subject to reprogramming for Cycle 4 of AB 1012 are approximately \$14.1 million. Of that amount \$11 million is for Congestion Management and Air Quality (CMAQ), and \$3.1 million is for Regional Transportation Enhancement Activities (R-TEA). At its September 2003 meeting, the California Transportation Commission (Commission) agreed to extend the December 9 deadline for an additional two months because local obligation authority was loaned to the State. The new deadline is February 9, 2004.

An extension request for R-TEA funds has been received from Riverside County Transportation Commission for \$1,102,326. An extension request for CMAQ funds has been received from San Bernardino Associated Governments for \$11,049,993. Both of these agencies anticipate that obligation of these funds will take place within 6 months.

RECOMMENDATION:

The Department of Transportation (Department) recommends approval of the extension requests for Cycle 4 R-TEA and CMAQ balances submitted for Riverside and San Bernardino counties as shown on the attachment. The requested extensions total \$12,152,319.

BACKGROUND:

AB 1012 was enacted October 10, 1999 with a goal of improving the delivery of transportation projects. A section of the legislation states that regional agency CMAQ and Regional Surface Transportation Program (RSTP) funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the Commission in the fourth year. The Department is including R-TEA funds under the AB 1012 use it or lose it requirements.

Attachment

Time Extension/Waiver
AB 1012 "Use It or Lose It" Provisions
Program Year 2002/2003

Project #	Regional Agency	Extension Amount	Number of Months Requested
	Implementing Agency	Fund Type	Extended Deadline
	Project Reason for Project Delay:		CT Recommendation
1	Riverside County Transportation Commission	\$1,102,326	4 months
	Cities of Moreno Valley, Norco, Perris, Riverside and Calimesa	R-TEA	6/09/04
	Various projects		Support
	<p>The above projects have gone through lengthy environmental reviews and extensive coordination with various local, state and federal resource agencies regarding historical and environmental issues. The project development phases have been funded with local fund sources and the Transportation Enhancement Activity (TEA) funds have been programmed for the construction phase on four of the projects. The Moreno Valley Aqueduct project will use the TEA funds for the right-of-way and construction phases. The City of Calimesa's project was delayed due to a future Department of Transportation (Department) improvement project at the original location. The project was then re-scoped with concurrence from the Department's TEA Coordinator and the Riverside County Transportation Commission. These projects are very near completion of the pre-construction phases and will be ready for the obligation of TEA funds for construction within the next 6 months. Although Riverside County Transportation Commission is requesting a 6-month extension through August 31, 2004, Resolution G-02-15 does not allow an extension beyond 6 months from the original deadline of December 9, 2003. Therefore, an extension is requested to June 9, 2004.</p>		
2	San Bernardino Associated Governments	\$11,049,993	6 months
	San Bernardino Associated Governments (SANBAG)	CMAQ	8/09/04
	I-215 HOV Lanes and Operating Improvements I-10 to SR-210		Support
	<p>This funding was originally programmed for construction on the SR 210 project and construction on I-215. Delays in securing environmental clearance for the SR 210 project led to reprogramming CMAQ funding from that project to I-215. The construction on I-215 has been delayed due to a State cut in Right-of-Way funding, which eliminated funding for the I-215 project. As a result, the CMAQ funding was reprogrammed to the Right-of-Way phase. Obligation of this funding has been delayed due to development of a Contribution Agreement with the Department of Transportation and resolution of some environmental and right-of-way issues on the project. These delays from funding and environmental issues have resulted in a 6-month delay in obligation of the CMAQ funds. Therefore, SANBAG is requesting a 6-month extension of the AB 1012 obligation deadline.</p>		